

# SENATOR **Nell Soto** 32nd Senatorial District

**FOR IMMEDIATE RELEASE**

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## **BILL REGULATING RESIDENTIAL CARE HOME FEES CLEARS SENATE FLOOR**

### *Bill Requires 60 Day Notification for Imposing New Fees*

**Sacramento** – Citing abuses of imposing unannounced fees at Residential Care Facilities for the Elderly, Senator Nell Soto (D-Pomona) asked the State Senate to approve a bill that would regulate payment of new fees. The Senate approved SB 1898 with a 24 –13 vote.

Currently, a Residential Care Facility for the Elderly does not refund the admission fee and imposes other fees throughout the year.

SB 1898 requires a written description of where the fee will be used, including an itemization of the charges associated with the pre-admission fee and identify conditions under which that fee is refundable. Any fees charged, whether prior to or after admission, must be stated in the admission agreement. SB 1898 also requires the facility to provide a history of average increases from the past three years.

The bill also requires a 60-day written notice of any increases, current law allows for 30 days. The facility must also provide written notice on any rate increase due to a change in the level of care of the resident. These rates will not be billed in one lump sum, the bill requires that they be broken down into payments over a one year period.

There are over 6,000 Residential Care Facilities for the Elderly in California. Some of these facilities charge a variety of up-front fees called admission fees, community fees, processing fees or move-in fees. These fees can range from \$100 to over \$5,000 and are non-refundable. Senator Soto's bill ensures these senior citizens do not face hidden costs and holds administrators of these facilities accountable.

"Imposing fees out of the blue and expecting senior citizens to pay it in 30 days is wrong," claims Soto. "These elderly residents have fixed incomes and to come up with fees that can up to hundreds of dollars in 30 days is not feasible. In some cases, some residents were threatened with eviction if they don't pay those fees. We need to protect our seniors."

SB 1898 now goes to the Assembly for Committee hearings.

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